



State of South Carolina
Office of the Governor

MARK SANFORD
GOVERNOR

POST OFFICE BOX 12267
COLUMBIA 29211

June 11, 2010

The Honorable André Bauer
President of the Senate
State House, 1st Floor, East Wing
Columbia, South Carolina 29202

Dear Mr. President and Members of the Senate:

I am hereby vetoing and returning without my approval S. 717, R. 302, which carves out a sales tax exemption for a company that makes a capital investment of at least \$20 million in a facility used principally for researching and testing natural disasters.

We've expressed our concerns in past years that our tax code has far too many incentives carved out for only one area of the state or for one business. This bill gives a sales tax exemption to one company – a company already set to open later this year in Chester County.

We are pleased this company has decided to come to South Carolina and believe it will serve as a valuable addition to our economy. As a state, we've already pledged considerable financial incentives to attract the company here in the first place; therefore, these incentives are duplicative and excessive. If the situation were reversed, we could not, in good faith, change the terms of an agreement to a company once that company relocated here. We're concerned with the long-term implications in other economic development deals if we get into the practice of adding to the deal after an economic incentive deal has been signed.

For these reasons, I am vetoing and returning without my approval S. 717, R. 302.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Sanford".

Mark Sanford